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Commissioner for Patents
P.O. Box 1450
Alexandria, VA 22313-1450

Re: Appellant(s):   Daniel R. Johnson and Alok Mehta
      Application No.:   09/891,911   Filed: June 26, 2001
      Confirmation No.:   1408
      Title: METHOD AND SYSTEM FOR EVALUATION OF
                          POTENTIAL FUNDING SOURCES FOR FINANCIAL PLANS
      Docket No.:   3034.1000-001

Sir:

Transmitted herewith is an Amended Appeal Brief for filing in the subject application. The Amended Appeal Brief is submitted in response to the Notification of Non-Compliant Appeal Brief mailed October 3, 2007 and further pursuant to the Notice of Appeal received by the U.S. Patent and Trademark Office on June 11, 2007.

1.   ☐   Appellant hereby petitions to extend the time for filing an Appeal Brief for
         [   ] month(s) from [   ] to [   ].

2.   ☐   A [   ] month extension of time to extend the time for filing an Appeal Brief
         from [   ] to [   ] was filed on [   ] with payment of a $[   ] fee.

         ☐   Appellant hereby petitions for an additional [   ] month extension of time
             for filing an Appeal Brief from [   ] to [   ].

3.   ☐   A Request for Oral Hearing before the Board of Patent Appeals and Interferences
         is being filed concurrently herewith.

4. Fees are submitted for the following:

☐ Extension of Time for one month $_____

☐ Additional Extension of Time:

      Fee for Extension   ([ ] mo.) $_____

      Less fee paid   ([ ] mo.) $_____

      Balance of fee due $_____

☐ Appeal Brief $_____

☐ Other_____ $_____

                                 TOTAL $_____

5. The method of payment for the total fees is as follows:

☐ A check in the amount of [   ] is enclosed.

☐ Please charge Deposit Account No. 08-0380 in the amount of $[   ].

The fee for filing a brief in support of an appeal has already been submitted. Please charge any deficiency or credit any overpayment in the fees that may be due in this matter to Deposit Account No. 08-0380. A copy of this letter is enclosed for accounting purposes.

Respectfully submitted,

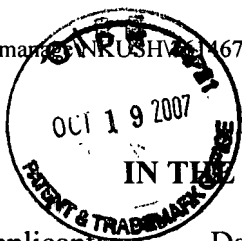HAMILTON, BROOK, SMITH & REYNOLDS, P.C.

By_____

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Dated: 10/17/07

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OCT 1 9 2007

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

Applicant: Daniel R. Johnson and Alok Mehta

Application No.: 09/891,911   Group: 3691

Filed: June 26, 2001   Examiner: Olabode Akintola

Confirmation No.: 1408

For: METHOD AND SYSTEM FOR EVALUATION OF POTENTIAL
           FUNDING SOURCES FOR FINANCIAL PLANS

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AMENDED APPEAL BRIEF

Mail Stop Appeal Brief Patents
Commissioner for Patents
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Alexandria, VA 22313-1450

Sir:

This Amended Appeal Brief is submitted in response to the Notification of Non-
Compliant Appeal Brief mailed October 3, 2007 and further pursuant to the Notice of Appeal
received in the U.S. Patent and Trademark Office on June 11, 2007, and in support of the appeal
from the final rejections set forth in the Office Action mailed on February 8, 2007. The fee for
filing a brief in support of an appeal has already been submitted.

TABLE OF CONTENTS

I.   REAL PARTY IN INTEREST

The real party in interest is American Financial Systems, Inc., located at 9 Riverside Office Park, Weston, Massachusetts 02493-2221 assignee of the subject matter described in the subject application. American Financial Systems, Inc. is the Assignee of the entire right, title and interest in the application by way of an Assignment from the inventors to AFS-IP, Inc. recorded August 31, 2001 on Reel 012127, Frame 0934-0937 and a certificate of merger between AFS-IP, Inc. and American Financial Systems, Inc. recorded on March 8, 2007 at Reel 018992, Frames 0936-0946.

II.   RELATED APPEALS AND INTERFERENCES

Applicants, the undersigned Attorney, and the Assignee are not aware of any related appeals or interferences which will directly affect or be directly affected by or have a bearing on the Board's decision in the pending appeal.

III.   STATUS OF CLAIMS

Claims 1-19, 39, and 57-60 remain in the application. A copy appears in the Appendix of this Appeal Brief. Claims 1, 3, 9, 13-14, 20-39, 41, 46, 50, and 51 were amended and Claims 57 and 58 were added in the Amendment filed on September 15, 2004. Claim 59 was added in the Amendment filed on January 20, 2005. Claims 1, 3, 7, 9-13, 16-19, 39, 57, and 58 were amended and Claim 60 was added in the Amendment filed on January 11, 2006. Claims 2, 4-6, 8, and 15 appear as originally filed. Claims 20-38 and 40-56 have been canceled.

IV.   STATUS OF AMENDMENTS

No amendments are being filed concurrently with this appeal brief.

V.   SUMMARY OF CLAIMED SUBJECT MATTER

Claim 1

The invention according to Claim 1 is a method of comparing financial products of different classes as funding sources for a financial plan. Each class of financial product has a different set of attributes and corresponding values for to each attribute. Through an interface, a user is queried to assigns weights to each attribute, with each weight representing the relative importance of that attribute to the user. These weights are used to generate a weighted product

score for each financial product. The weighted product score serves as an indicator of the tradeoffs between selecting a particular financial product of one class over another in a different class as a funding source. (See at least Specification, page 5, lines 12- page 6, line 12, FIGS. 1A, 1B and 1C, and page 8, lines 8-12 and FIG. 3A step 570.)

Claim 6

Claim 6 depends from Claim 1 and further requires that one or more attributes of the financial products may be populated with subjective scores from the user. Inputting subjective attribute values allows a user to incorporate knowledge they have about a particular financial project into the system. Like other attribute values this user inputted subjective value will be multiplied by the user assigned weight and thus be incorporated into the weighted product score. (See at least Specification, page 3, lines 4-11 and page 8, lines 13-14 and FIG. 3A step 590)

Claim 12

Claim 12 depends from Claim 1 and further defines attributes within a category called contractual features. Attributes within this category include (1) de-MECing provisions; (2) mortality charge guarantees; (3) expense charge guarantees; (4) buyers rating of fund choices; and (5) buyers rating of historical fund performance. Each of these financial measures may have more or less significance to a particular user, and thus may be weighed according to their relative significance for that user. (See at least Specification, page 14, line 5- page 15, line 20 and page 17, lines 5-17 and FIG. 5K)

Claim 13

Claim 13 depends from Claim 1 and further requires that a 'subjective assessment of an underwriting offer' be one of the attributes associated with a class of financial products. Insurance policies provide certain policy coverage limitations and by incorporating this attribute into the group of available attributes the claimed invention permits a user to subjectively assess the terms of a particular offer. A user will input both a value and a weight for this attribute so that a weighted product score can be generated. (See at least Specification, page 15, lines 22-25, page 17, lines 5-17 and FIG. 5H)

Claim 18

Claim 18 depends from Claim 1 and further requires that at least one of the products selected for comparison be a security, such as a mutual fund or a stock, and one of the products selected be a non-security, such as a life insurance plan. This limitation enables the direct

comparison of financial products from different investment classes. (See at least Specification, page 5, lines 11-17, page 16, lines 6-11 and FIGS. 5A, 5B, 5C and 5F.)

Claim 39

The invention according to Claim 39 is a computer usable medium and a set of computer operating instructions to be used for comparing financial products as funding sources for financial plans. This invention includes instructions which permit the selection of two or more financial products of different classes, with each class having different attributes, and each attribute having a value for the selected financial product. The operating instructions further permit a user to assign weights to each of the product attributes and for the scaling and dispersing of the attribute scores to reduce the clustering of values. A weighted product score is then generated by summing the weighted relative attribute scores associated with each product. This weighted score serves as a comparison of the tradeoffs associated with each of the selected financial products. (See at least Specification, page 5, lines 12- page 6, line 12, FIGS. 1A, 1B and 1C, and page 8, lines 8-12 and FIG. 3A step 570 and page 17, line 27-page 18, line 8.)

Claim 57

A method for execution by a data processor according to Claim 57 compares life insurance policies as funding sources for a non-qualified benefits plan. The method provides a user interface for selecting a non-qualified supplemental benefits plan and for inputting census data for a particular employee participant. Based upon the inputted census data and the selected non-qualified benefits plan the data processor presents an available set of suitable life insurance policies as potential funding sources. From this set two or more life insurance policies are selected with each of these policies having characteristic attributes and assigned values. The user interfaces queries for weights to be assigned to each of the attributes, each weight representing the relative importance of the attribute to the user. The attribute values are mapped to a common numerical range and then scaled such that the values are dispersed to reduce clustering. The adjusted attribute value is multiplied by the assigned weight to create a weighted product score for the attribute, and each of these weighted scores is summed to create the overall score for the life insurance policy. This weighted product score is presented to the user and serves as a way of comparing tradeoffs between each of the selected life insurance policies. (See at least Specification, page 3, line 1- page 4, line 4, page 5 line 12-page 6, line 12, FIGS. 1A, 1B, 1C, page 16, line 6-page 17, line 6 and FIGS. 5A-5H.)

<u>Claim 58</u>

A server apparatus according to Claim 58 compares life insurance policies as funding sources for a non-qualified supplemental benefits plan. The server provides a means for selecting a non-qualified supplemental benefits plan, a means for inputting employee census data and a means for presenting the available set of life insurance policies which qualify as potential funding sources given the census data and the selected non-qualified plan. From this list there is a means for selecting two or more policies for comparison purposes. Each selected plan has a corresponding set of attributes and there is a means for retrieving these attributes and their associate values from a storage location. The means are provided for a user to assign weights to each of these attributes and for attribute values to be scaled by a dispersion factor such that clustering of values is reduced. For each attribute the means is provided for multiplying the assigned weight by the scaled value to produce a weighted relative attribute score. These weighted scores are summed for a particular life insurance policy and the means are provided for the weighted score to be compared to the weighted score of other potential life insurance policies to assess tradeoffs between the products. (See at least Specification, page 6, line 13-page 7, line 14 and page 8, line 1–page 11, line 18 and FIG. 2.)

VI.   <u>GROUNDS OF REJECTION TO BE REVIEWED ON APPEAL</u>

A. Whether Claims 1-8, 15, 18-19, and 60 are properly rejected under 35 U.S.C. § 102(e) as anticipated by Nevo et al (U.S. Patent 5,946,666).

B. Whether Claims 9-10, 16, and 59 are properly rejected under 35 U.S.C. § 103(a) as unpatentable over Nevo in view of Powers (U.S. Patent 6,684,190).

C. Whether Claim 39 is properly rejected under 35 U.S.C. § 103(a) as unpatentable over Nevo.

D. Whether Claims 14, 57, and 58 are properly rejected under 35 U.S.C. § 103(a) as unpatentable over Nevo in view of Davis (U.S. Patent Publication 2001/0049612).

E. Whether Claims 11 and 17 are properly rejected under 35 U.S.C. § 103(a) as unpatentable over Nevo in view of Powers, and further in view of Ryan et al. (U.S. Patent 5,802,500).

F. Whether Claim 13 is properly rejected under 35 U.S.C. § 103(a) as unpatentable over Nevo in view of Powers, and further in view of Detore et al. (U.S. Patent 4,975,840).

G. Whether Claim 12 is properly rejected under 35 U.S.C. § 103(a) as unpatentable over Nevo in view Powers, and further in view of Tyler et al. (U.S. Patent 5,523,942).

VII.   ARGUMENTS

    A.   <u>Rejection of Claims 1-8, 15, 18-19, and 60 Under 35 U.S.C. § 102(e) Over Nevo.</u>

Nevo teaches a system for monitoring financial security markets and individual financial securities (specifically stocks and mutual funds) by providing a visual indication of an individual security's deviation from the larger market. (Nevo, Abstract, col. 4, line 63- col.5, line 2). In Nevo, a user selects multiple stocks or multiple mutual funds to be simultaneously monitored. Each security has a common set of performance values, such as current trade value, volume of shares traded, ask value, and bid value. (*Id.*, col. 5, lines 14-44). The user then selects or enters the minimum, maximum and baseline value for each of the performance attributes causing this information to be stored in a system profile. (*Id.*, col. 7, lines 4-11). Actual market performance data is then compared to the values stored in the system profile in order to generate a visual indication of a security's current deviation from the market baseline. (*Id.*, col. 7, lines 36-67).

As taught by Nevo, the transformation from index value to visual performance indicator "maps the parameter or stock index value … of the stock into numbers representing the state of each parameter relative to the stock's condition and to prescribed maximum, minimum, and baseline reference values for each parameter." (*Id.*, col. 9, lines 27-32 and FIG. 6). Steps to perform this transformation include collecting a measured value for each attribute, transforming this value to a mapped value by applying a prescribed mathematical function (such as the sigmoid function), and then generating a deviation indicator "determined by assigning to each parameter a level of deviation associated with the parameter" given the mapped value as an input parameter. (*Id.*, col. 7, lines 53-55). In the preferred embodiment of Nevo, the deviation indicator corresponds to one of six levels of performance, ranging from zero (clear/ no deviation from the baseline) to five (red/ maximum deviation from the baseline). (*Id.*, col. 7, lines 54-67). After viewing, a user may repeat their analysis by inputting different securities or adjusting the time scale being analyzed.

In order for a claim to be considered unpatentable under 35 U.S.C. §102(e), the reference must exactly teach each and every element of the claim. As stated by the Federal Circuit, "(a)nticipation under 35 U.S.C. § 102 requires the disclosure in a single piece of prior art of each and every limitation of a claimed invention." *Apple Computer Inc. v. Articulate Sys. Inc.*, 234 F.3d 14, 20, 57 USPQ2d 1057, 1061 (Fed. Cir. 2000). There are at least five different reasons why Nevo differs from the Applicant's claims.

1. Nevo Does Not Teach Assignment of Weights to Attributes

First, Nevo neither teaches nor discloses the Applicants' claimed steps of:

(1)"querying a user through the user interface for <u>weights</u> to be assigned to each of the attributes"

(2) "assigning the weights to the attributes" or

(3) "generating a weighted product score for each financial product by applying the weights to the assigned attributes associated with each financial product."

Before discussing these claim elements in detail, it is helpful to review Applicants' preferred embodiment. In the simplest form, the method of the present invention requires retrieving values for each attribute of the financial product being examined, assigning <u>subjective weights</u> to represent the importance of a particular attribute to the user (Specification, FIG. 1A-1C), scaling to distribute adjusted values (Specification, FIG. 4D), and <u>computing a summed financial product score</u> by multiplying the weight by the scaled value (Specification, FIG. 4E-4F). Because this summed score incorporates user assigned weights, it serves as a means for comparing the tradeoffs between one financial product and another, depending upon the product attributes the user finds most critical. Nevo, in contrast, fails to disclose both querying for user assigned weights and incorporating weighing into the generated outcome and as such does not teach these particular claim limitations.

As different providers of financial indicators use different rating scales it is expected that a step of mapping values to a common range is required and accordingly both inventions disclose this step. (Nevo, col. 8, lines 18-32 and Specification, page 8, line 27-page 9, line 6.) Additionally, scaling scores to disperse values is a common technique to assist in the analysis of numerical ratings, and as such a form of scaling is used in both Nevo (Nevo, col. 8, lines 33-57, col. 9, lines 32-38, and col. 10, lines 24-57) and the present invention (Specification, page 9, line 18 - page 9, line 20). However the <u>additional steps</u> of assigning and utilizing attribute <u>weighing</u> differentiate the present invention from the <u>scaling</u> performed by Nevo.

More particularly, the Examiner points to Nevo at col. 10, lines 24-57 as supposedly disclosing the step of querying a user to assign attribute weights, assigning weights to attributes

and the generation of a weighted product score. However this cited passage merely teaches utilizing scaled values to create an improved visual display of stock volatility:

> "Once the deviation indicators have been determined for each parameter, the deviation indicators are analyzed to generate one or more performance or status indicators at step 61. The status indicators contain information about the overall status of the system. The performance indicator is a scalar or bar indicator that signifies the relative volatility of the stock at issue in terms of its deviation from the overall group's baseline. In a preferred embodiment of the invention, the stock's performance indicator is assigned one of six values... Zero represents stability and five represents either a loss and downward performance or a positive gain and upward performance." (Nevo, col. 10, lines 40-51.)

Applicant respectfully disagrees that the cited passage teaches the assignment of weights to attributes. The assignment of weights is the present claimed invention's means of incorporating the subjective importance of a particular attribute into the summed product score and thereby permits the user to assess tradeoffs between selecting differing financial products for the user's defined purpose. Assigning weights is not the same as the mere scaling of a statistical measure (*e.g*, volatility) as disclosed in Nevo.

Nevo has no notion of the summation of the weights of the individual attributes within a category (*e.g.* Financial Strength, Funding, Contractual Features), or the generation of a weighted product score by applying a weight to each of multiple attribute values. Nevo is simply scaling a value prior to filtering it to a visual display. Finally, Nevo does not attempt to sum anything or generate an overall score for a financial product, similar to the Applicants' weighted product score. Again Nevo is simply displaying a scaled performance indicator (*e.g.* a price).

Because Nevo fails to disclose "querying a user through the user interface for weights to be assigned to each of the attributes; assigning the weights to the attributes; (and) generating a weighted product score for each financial product by applying the weights to the assigned attributes associated with each financial product", it does not provide an identical disclosure of the invention of Claim 1.

Claims 2-8, 15, 18-19, and 60 also either recite this limitation explicitly, or contain the limitation through dependency. Therefore, Applicants respectfully submit that the Examiner has failed to make out a prima facie case under 35 U.S.C. § 102(e).

*2. Nevo Does Not Teach Comparing the Suitability of a Product in a First Class Against
a Product in a Second Class*

Nevo provides a method for monitoring individual financial securities or markets by generating visual indications of a particular security's deviation from its previous minimum, maximum, and baseline values. (Nevo, col. 8, lines 1-13). In doing so, Nevo provides a picture of the current market's volatility and an individual security's deviation from past performance. In contrast, the claimed invention allows a user to compare the suitability of a financial product from a first class to the suitability of a financial product from a second class and thereby allows a plan administrator to assess the tradeoffs between using different products as funding sources.

Applicants' Claim 1, in part, states:

> "...selecting two or more financial products for comparison as funding sources for a financial plan, <u>with at least two financial products being of a different class</u> such that they have a different set of attributes, and each financial product having values corresponding to the set of attributes;

> ...presenting the weighted product scores to a user, the weighted product scores serving as a <u>comparison of tradeoffs</u> associated with each of the financial products."

While Nevo does suggest that different security index values may be monitored for stocks than for mutual funds (Nevo, col. 4, lines13-34, 51-62), it does not disclose or suggest a mechanism for using these security index values of different classes to compare a product from one class to a product from another class. Nevo only suggests a method for displaying security index value fluctuations for one particular class of security. This provides no process for comparing one product against another the other, never mind the Applicants' specific claimed process of assigning weights to a different set of attributes for each class.

The present claimed invention achieves this comparison by combining the use of different sets of attributes for products from different classes and the generation of a weighted product score. For example, by incorporating class specific attributes into a weighted product score, a user is able to compare the expected performance of a particular mutual fund from a first class to a particular life insurance policy from second class and assess the tradeoffs between using each as a funding source. It is precisely this ability to compare products from different classes of investments for suitability which differentiates the present claimed invention from Nevo.

Because Nevo fails to disclose "...selecting two or more financial products for comparison as funding sources for a financial plan, with at least two financial products being of a different class such that they have a different set of attributes", it does not provide an identical disclosure to that of of the invention of Claim 1.

Claims 2-8, 15, 18-19, and 60 also either recite this limitation, or contains the limitation through dependency. Therefore, Applicants respectfully submit that the Examiner has failed to make out a prima facie case under 35 U.S.C. § 102(e).

3. Applicants' User Interface for Selecting Financial Products for Comparison is Not a Mere Statement of Intended Use and Must be Considered in Determining Patentability

Claim 1, in part, discloses a method for "providing a user interface for selecting two or more financial products for comparison as funding sources for a financial plan...". FIG. 5G depicts an example embodiment of that interface. This claim element is not a statement of intended use, but rather an explicit recitation of the user interface that permits the selection of two or more financial products as input for comparison as a funding sources. As such, this user interface should be given full consideration in determining patentability.[1]

Applicants further submit that Nevo is not capable of performing the step of "...selecting two or more financial products for <u>comparison as funding sources</u> for a financial plan", Nevo is directed toward presenting a graphic display of current market volatility, and fails to incorporate a means for comparing products from different classes for their suitability as a funding source for a financial plan. A status indicator generated in Nevo "conveys information about significant changes *contributing to the condition of a security or financial market*" but does not provide any numerical means for comparison as a funding source. (Nevo, col. 3, lines 26-28, emphasis added). The Applicants' disclosed invention provides this capability through the use of class specific attributes, the inputting of weights by a user for each attribute, and the generation of a weighted product score which serves as a comparison of the tradeoffs associated with each financial product.

Because Nevo fails to disclose a user interface for selection of two or more financial products for comparison it does not provide an identical disclosure of the invention of Claim 1.

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[1] It should be noted that the Examiner has not classified the similar claim feature of "querying a user through the user interface for weights to be assigned to each of the attributes" as a mere statement of intended use and his conclusion is therefore inconsistent.

Claims 2-8, 15, 18-19, and 60 also either recites this limitation, or contains the limitation through dependency. Therefore, Applicants respectfully submit that the Examiner has failed to make out a prima facie case under 35 U.S.C. § 102(e).

4. *Applicants Are Not Seeking Patentability of a Machine or Process of Making a Device*

Claim 1 recites a method for execution by a data processor and not a method of manufacture or a process for making. Applicants suggest the previous office action wrongly interpreted Claim 1 as directed toward a process of making, thus the cites to *In re Casey*, 370 F.2d 576, 152 USPQ 235 (CCPA 1967) and *In re Otto*, 312 F.2d 937, 939, 136 USPQ 458, 459 (CCPA 1963) are improper. This line of cases has been limited to "claims directed to machinery which works upon an article or material in its intended use" (M.P.E.P. § 2116). Therefore, Applicants respectfully submit that the Examiner has failed to make out a prima facie case under 35 U.S.C. § 102(e).

5. *Nevo Does Not Populate Attributes of Financial Products with Subjective Scores from User*

Claim 6 depends from Claim 1 and recites "populating one or more attributes of the financial products with subjective scores from a user." Populating attributes with subjective values allows the user to incorporate information about a selected financial product attribute based upon his experience with similar plans, sponsors, and funding sources. Within Nevo, user interaction is limited to selecting what products and performance indicators appear within the graphical display. The scaling factor applied depends upon the range of data values existing for the selected performance indicator and not any user inputted attribute values. (Nevo, col. 14, lines 10-26). Thus, Nevo does not provide a means for incorporating subjective attribute values into the output.

Because Nevo fails to disclose "populating ... attributes... with subjective scores..." it does not provide an identical disclosure of the invention of Claim 6. Therefore, Applicants respectfully submit that the Examiner has failed to make out a prima facie case under 35 U.S.C. § 102(e).

6. *Nevo Does Not Compare Securities and Non-Securities*

Claim 18 depends from claim 1 and further recites that "at least one of the financial products compared include a security and another of the financial products is not a security". Nevo discloses generating a visual deviation indicator for evaluating a stock or mutual fund's fluctuation against a baseline value. It is respectfully submitted that both stocks and mutual funds are securities as defined by the Securities Act of 1933 and that a life insurance policy is not a security. As recited by the Act the term security includes products such as notes, stocks, treasury stocks, security futures, bonds, and debentures. (Securities Exchange Act of 1933 § 2. 15 U.S.C.A. § 77b (2007))[2]. Therefore, as Nevo only discloses comparing securities and not non-securities, such as a life insurance policy, Nevo fails to disclose all elements of the Applicants' recited claim.

Because Nevo fails to disclose this limitation it does not provide an identical disclosure of the invention of Claim 18. Therefore, Applicants respectfully submit that the Examiner has failed to make out a prima facie case under 35 U.S.C. § 102(e).

B. Rejection of Claims 9-10, 16, and 59 under 35 U.S.C. § 103(a) as Unpatentable Over Nevo in View of Powers

The Examiner states that Nevo does not teach contractual features and at least one of the financial products includes a life insurance policy and suggests that Powers teaches these features. Applicants also respectfully disagree with this conclusion.

The present claimed invention is not simply teaching that life insurance policies have contractual features, as disclosed by Powers, but that by assigning weights to individual plan attributes, the system can generate a weighted product score for two different classes of investments (*e.g.*, stocks or mutual funds, and life insurance policies) useful in assessing tradeoffs. Powers teaches an interactive display to depict expected future portfolio values for an individual under different financial planning mechanisms. For example, Powers allows a user to view projected plan values of life insurance coverage and other investments by incorporating assumptions such as risk tolerance, premium payments, inflation, and retirement age. But, Powers does not provide comparing two financial products of different classes by generating a

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[2] See the Evidence Appendix for an excerpt from the Securities Act of 1933 providing the complete definition of a "security".

weighted product score. Within Powers input variable <u>values</u> can be modified, but the individual attributes can not be <u>weighted</u> to produce a score which serves as a comparison of the tradeoffs associated with each financial product.

As an individual financial planning tool, Powers is directed towards projecting future portfolio values given individual enrollee specific variables, such as risk tolerance, periodic contributions, and retirement age. Conversely, the present claimed invention assess the specific attributes of a life insurance plan or other financial product where the specific attributes include contractual guarantees, fund choices of a contract, strength of financial backing, and agency rating. It is not the ability to evaluate how a particular individual will fair under a selected insurance plan that is claimed by the Applicants, but the mechanism for comparing tradeoffs between policies by weighting and evaluating individual plan features through the use of a weighted product score.

Even with the addition of Powers, Nevo and Powers together do not teach or provide for every claim feature present in Claims 9-10, 16, and 59 the Applicants respectfully submit that the Examiner has failed to make out a prima facie case under 35 U.S.C. § 103(a).

C. Rejection of Claim 39 Under 35 U.S.C. § 103(a) as Unpatentable Over Nevo

The Examiner states that Nevo does not teach a dispersion factor as recited in independent Claim 39 but suggests that Nevo's disclosure of a "deviation indicator" teaches this feature. Nevo teaches the use of a <u>visual</u> deviation indicator for display within the user interface to quickly alert the user to a particular security's volatility within the market. The Nevo specification states:

> "The transformer 16 assigns to each financial parameter a deviation indicator which represents the level of performance associated with the parameter. In one embodiment, each financial parameter is assigned one of six levels of performance, ranging from zero to five according to the following scale: 0 - (color of display background)..., 1 - (white- yellow)..., 2 - (yellow)..., 3 - (orange- yellow) ..., 4 - (orange)..., 5 - (red)... " (Nevo, col. 6, lines 32-46)

Generating a color indicator, as disclosed in Nevo, is different from "scaling the attribute values... by a <u>dispersion</u> factor to generate a set of relative attribute scores for each attribute, the set of relative attribute scores for each attribute thereby <u>being dispersed to reduce clustering</u> for

each attribute." as recited in Applicants' Claim 39. See FIG. 4D of the Applicants' specification and the accompanying text at page 9 line 18- page 10, line 10, which explains the use of the dispersion factor within the user interface to disperse attribute values and generate decimal outputs. Nevo's "deviation indicators" intentionally assign values to one of six color outputs, and as such can hardly be classified as a method for reducing the clustering of values.

Additionally, as discussed in preceding arguments (Sections VII.A.1 and VII.A.2) Nevo fails to disclose other features of Claim 39, such as assigning weights to attributes and generating a weighted product score. Because Nevo fails to disclose these limitation it does not provide an identical disclosure of the invention. Therefore, Applicants respectfully submit that the Examiner has failed to make out a prima facie case under 35 U.S.C. § 103(a) that this claim is obvious.

D. Rejection Under 35 U.S.C. § 103(a) as Unpatentable Over Nevo in View of Davis Claims 14, 57, and 58

The Examiner admits that Nevo does not teach selecting a non-qualified supplemental benefits plan but suggests that Davis teaches this feature. Davis discloses displaying life insurance plans which provide a similar payout benefit amount as present in a company owned non-qualified supplemental benefits plan.

However, the combination of Davis and Nevo still does not teach comparing financial products of different classes by generating a weighted product score, or provide a comparison of two financial products of different classes, both essential claim elements inherited from Claim 1 as mentioned above.

As the combination of Nevo and Davis does not teach or provide for every claim feature present in Claims 14, 57, and 58, the Applicants respectfully submit that the Examiner has failed to make out a prima facie case under 35 U.S.C. § 103(a).

E. Rejection of Claim 11 and 17 Under 35 U.S.C. § 103(a) as Unpatentable Over Nevo in View of Powers and Ryan

The Examiner admits that the combination of Nevo and Powers does not teach cash flow with a discounted value, internal rate of return, after tax considerations, and a corporate owned life insurance policy (COLI) but suggests using Ryan as prior art to teach these claim features.

However these individual attributes are examples of common attributes used to evaluate and report on COLI policies. As stated in the Applicants' specification, the values used to populate these attributes are typically calculated and retrieved from a financial product illustration systems such as AVS (Specification, page 12, line 21- page 13, line 3) a system similar to the system disclosed in Ryan.

The feature of the present invention absent in the prior art of reference is not the mere existence of these attributes, or a means for calculating their values, but <u>rather the ability to use attributes such as these, to assign weights to these attributes, and to generate a weighted product score to be used in comparing financial products of different classes</u>. (Specification, FIG. 4C-4F) While Ryan discloses a system useful for computing the corporate balance sheet implications of a particular configuration of COLI, it is not a method of comparing multiple products via a common metric (*e.g.*, a weighted product score).

As the combination of Nevo, Powers, and Ryan do not teach or provide for every claim feature present in Claims 11 and 17, the Applicants respectfully submit that the Examiner has failed to make out a prima facie case under 35 U.S.C. § 103(a).

F. Rejection of Claim 13 Under 35 U.S.C. § 103(a) as Unpatentable Over Nevo in View of Powers, and in Further View of Detore

The Examiner states that the combination of Nevo and Powers does not teach subjective assessment of an underwriting offer, and looks to Detore to teach this claim limitation. However it would not be obvious to combine the teaching of Detore with that of Powers and Nevo because Detore is directed to the evaluation of underwriting risk in the process of <u>issuing</u> an insurance policy, and not assigning subjective assessments for use in evaluating an insurance policy's suitability as a funding mechanism.

In particular, Detore discloses a method for an insurance underwriter to evaluate an individual's insurable risk in consideration of their personal risk factors such as driving history, mountain climbing hobbies, and blood pressure readings. Detore evaluates not the attributes of a particular underwriting offer, but the risk activities of a <u>person</u>. In contrast, the present claimed invention permits the user to assign a subjective assessment (or score) to the coverage terms of a <u>policy</u> and to use this assigned subjective assessment as one of the inputs for generating a product score.

As it would not be obvious to combine Nevo, Powers, and Detore and even if combine the prior art would not teach or provide for every claim feature present in Claims 13, the Applicants respectfully submit that the Examiner has failed to make out a prima facie case under 35 U.S.C. § 103(a).

G. Rejection of Claim 12 Under 35 U.S.C. § 103(a) as Unpatentable Over Nevo in View of Powers and Tyler

Examiner states that Nevo does not teach mortality changes, expense charge guarantees, and de-MECing provisions and looks to Powers and Tyler to teach these claim limitations. The Examiner looks specifically to Powers to teach mortality changes and expense charge guarantees and to Tyler to teach de-MECing provisions.

Tyler is directed at collecting, calculating, and displaying information required to design an insurance product for a customer. (Tyler, col. 5, lines 33-41). The passage citied by the Examiner, col. 45, lines 40-49, is merely calculating how to avoid an insurance contract becoming a MEC (Modified Endowment Contract) as classified by IRS Tax Codes.

Tyler is not using this as an attribute for evaluating a selected financial product, as in the Applicants' disclosure. Tyler provides a method of calculating MEC avoidance and at best is merely a means for calculating an input value, not a means for using this particular attribute as a mechanism for comparing different policies.

As the combination of Nevo, Powers, and Tyler do not teach or provide for every claim feature present in Claim 12, the Applicants respectfully submit that the Examiner has failed to make out a prima facie case under 35 U.S.C. § 103(a).

In view of the foregoing arguments, Applicants respectfully submit that all claims remaining in the application are in condition for allowance. Reversal of the rejections is requested so the application may pass to issue.

Respectfully submitted,

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VIII.   CLAIMS APPENDIX

1.   A method for execution by a data processor, the method comprising the steps of:

    providing a user interface for selecting two or more financial products for comparison as funding sources for a financial plan, with at least two financial products being of a different class such that they have a different set of attributes, and each financial product having values corresponding to the set of attributes;

    retrieving the attribute values from a storage location for each of the selected financial products;

    querying a user through the user interface for weights to be assigned to each of the attributes;

    assigning the weights to the attributes;

    generating a weighted product score for each financial product by applying the weights to the assigned attributes associated with each financial product; and

    presenting the weighted product scores to a user, the weighted product scores serving as a comparison of tradeoffs associated with each of the financial products.

2.   The method of claim 1, further comprising:

    changing the assigned weight for at least one of the attributes to compare financial tradeoffs.

3.   The method of claim 1 further comprising:

    scaling the values for each attribute, and wherein scaling the values for each attribute further comprises:

    identifying a maximum value and a minimum value from the selected financial products for an attribute;

    calculating an adjusted maximum value and an adjusted minimum value by applying a dispersion factor to the maximum and minimum values;

    calculating an adjusted range from the adjusted maximum and minimum values; and

generating a relative attribute score from the adjusted range for each financial product resulting in a set of relative attribute scores for the attribute being dispersed within the adjusted range.

4.   The method of claim 1, further comprising:

populating one or more of the attributes for the financial products with grades from one or more financial databases, the databases providing a comparative grade of financial strength of financial product carriers; and

converting the grades into numeric values.

5.   The method of claim 1, further comprising:

populating one or more of the attributes of the financial products with values from a financial product illustration system, the system projecting values of each of the financial products.

6.   The method of claim 1, further comprising:

populating one or more of the attributes of the financial products with subjective scores from a user.

7.   The method of claim 1, further comprising:

grouping the set of attributes into categories; and

assigning a weight to each of the categories.

8.   The method of claim 7, wherein a summation of the weights of the attributes within a category is equal to the assigned weight of the category.

9.   The method of claim 7, further comprising:

selecting the categories from a group including:

financial strength, funding, and contractual features, the contractual features including attributes associated with contractual provisions, contractual guarantees, fund choices of a contract, and fund performance of a contract.

10.   The method of claim 9, further comprising:

selecting the attributes within the financial strength category from a group including:

> at least one rating from a rating agency;
>
> asset size; and
>
> strength of financial backing including parent.

11.   The method of claim 9, further comprising:

selecting the attributes within the funding category from a group including:

> first year cash flow resulting from purchasing a particular policy;
>
> discounted value of the policy and benefits after tax cash flow at a discounted rate;
>
> internal rate of return on policy and benefits after tax cash flow;
>
> after-tax effect on earnings due to the policy and benefits in first year;
>
> cumulative after-tax effect on earnings due to the policy and benefits through first five years; and
>
> number of years until the cumulative after-tax effect on earnings becomes positive.

12.   The method of claim 9, additionally comprising:

selecting the attributes within the contractual features category from a group including:

> de-MECing provisions;
>
> mortality charge guarantees;
>
> expense charge guarantees;
>
> buyers rating of fund choices; and
>
> buyers rating of historical fund performance.

13.   The method of claim 9, additionally comprising:

selecting the attributes from a group also including a subjective assessment of an underwriting offer relative to terms of insurance coverage.

14.   The method of claim 1, further comprising:

      selecting a non-qualified supplemental benefits plan;

      inputing employee census data for a participant of the selected non-qualified supplemental benefits plan; and

      presenting to the user a set of financial products that are available as potential funding sources based on the selected benefit plan and the input employee census data.

15.   The method of claim 1, wherein the two or more financial products are compared for individual financial planning.

16.   The method of claim 1, wherein at least one of the financial products compared include a life insurance policy.

17.   The method of claim 16, wherein the life insurance policy is a corporate-owned life insurance policy.

18.   The method of claim 1, wherein at least one of the financial products compared include a security and another one of the financial products is not a security.

19.   The method of claim 18, wherein the security includes a mutual fund.

20.-38. (Canceled)

39.   An article of manufacture, comprising:

      a computer-usable medium;

      a set of computer operating instructions embodied on the medium, including instructions for a method of comparing financial products as funding sources for a financial plan, comprising instructions for:

            selecting two or more financial products for comparison as funding sources for a financial plan, with at least two of the financial products being of a different class such that they have a different set of attributes, each financial product having values corresponding to the set of attributes;

retrieving the attribute values for each of the selected financial products;

querying a user through the user interface for weights to be assigned to each of the attributes;

assigning the weights to the attributes;

scaling the attribute values of the financial products across each attribute by a dispersion factor to generate a set of relative attribute scores for each attribute, the set of relative attribute scores for each attribute thereby being dispersed to reduce clustering for each attribute;

for each attribute, multiplying the set of relative attribute scores by the assigned weight; and

generating a weighted product score for each financial product by summing the weighted relative attribute scores associated with the product; and

presenting the weighted product scores to a user, the weighted product scores serving as a comparison of tradeoffs associated with each of the selected financial products.

40.-56. (Canceled)

57. A method for execution by a data processor, the method comparing life insurance policies as funding sources for a non-qualified supplemental benefits plan, comprising:

providing a user interface for selecting a non-qualified supplemental benefits plan;

inputting employee census data for a participant of the selected non-qualified supplemental benefits plan through the user interface;

presenting an available set of life insurance policies that are available as potential funding sources for funding the non-qualified supplemental benefits plan based on the selected benefit plan and the input employee census data;

selecting two or more life insurance policies from the available set for comparison of a set of attributes through the user interface, each of the two or more life insurance policies having values corresponding to the set of attributes;

retrieving the attribute values from at least one storage location for each of the selected life insurance policies;

querying a user through the user interface for weights to be assigned to each of the attributes;

assigning the weights to the attributes;

scaling the attribute values of the life insurance policies across each attribute by a dispersion factor to generate a set of relative attribute scores for each attribute, the set of relative attribute scores for each attribute thereby being dispersed to reduce clustering for each attribute;

for each attribute, multiplying the set of relative attribute scores by the assigned weight;

generating a weighted product score for each of the life insurance policies by summing the weighted relative attribute scores associated with the life insurance policy; and

presenting the weighted product scores to a user, the weighted product scores serving as a comparison of tradeoffs associated with each of the selected life insurance policies.

58. A server apparatus for comparing life insurance policies as funding sources for a non-qualified supplemental benefits plan, comprising:

means for selecting a non-qualified supplemental benefits plan;

means for inputting employee census data for a participant of the selected non-qualified supplemental benefits plan;

means for presenting an available set of life insurance policies that are available as potential funding sources for funding the non-qualified supplemental benefits plan based on the selected benefit plan and the input employee census data;

means for selecting two or more life insurance policies from the available set for comparison of a set of attributes, each of the two or more life insurance policies having values corresponding to the set of attributes;

means for retrieving the attribute values for each of the selected life insurance policies;

means for querying a user through the user interface for weights to be assigned to each of the attributes;

means for assigning the weights to the attributes;

means for scaling the attribute values of the life insurance policies across each attribute by a dispersion factor to generate a set of relative attribute scores for each attribute, the set of relative attribute scores for each attribute thereby being dispersed to reduce clustering for each attribute;

for each attribute, means for multiplying the set of relative attribute scores by the assigned weight;

means for generating a weighted product score for each of the life insurance policies by summing the weighted relative attribute scores associated with the life insurance policy; and

means for presenting the weighted product scores to a user, the weighted product scores being used to provide a comparison of tradeoffs associated with each of the selected life insurance policies.

59.   (Previously Presented) A method as in claim 1 wherein at least one of the financial products is a life insurance policy and the other financial product is a security.

60.   A method as in claim 1 additionally comprising:

using the comparison of tradeoff to select at least one of the financial products as a funding source for a plan.

IX.   EVIDENCE APPENDIX

Appendix A. Excerpt from the Securities Act of 1933 § 2. 15 U.S.C.A. § 77b (2007) (providing a definition of "security").

TITLE 15--COMMERCE AND TRADE

CHAPTER 2A--SECURITIES AND TRUST INDENTURES

SUBCHAPTER I--DOMESTIC SECURITIES

Sec. 77b. Definitions; promotion of efficiency, competition, and
        capital formation

(a) Definitions

    When used in this subchapter, unless the context otherwise
requires--
        (1) The term ``security'' means any note, stock, treasury stock,
    security future, bond, debenture, evidence of indebtedness,
    certificate of interest or participation in any profit-sharing
    agreement, collateral-trust certificate, preorganization certificate
    or subscription, transferable share, investment contract, voting-
    trust certificate, certificate of deposit for a security, fractional
    undivided interest in oil, gas, or other mineral rights, any put,
    call, straddle, option, or privilege on any security, certificate of
    deposit, or group or index of securities (including any interest
    therein or based on the value thereof), or any put, call, straddle,
    option, or privilege entered into on a national securities exchange
    relating to foreign currency, or, in general, any interest or
    instrument commonly known as a ``security'', or any certificate of
    interest or participation in, temporary or interim certificate for,
    receipt for, guarantee of, or warrant or right to subscribe to or
    purchase, any of the foregoing.

X.   RELATED PROCEEDINGS APPENDIX

None.